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TAGS: [PGOV](#) [ECON](#) [PINR](#) [HO](#)

SUBJECT: RUMORS OF POSSIBLE RESTRUCTURING OF HONDURAN
GOVERNMENT MINISTRIES

1. In an effort to decrease government spending, and meet the specifications of the recently negotiated IMF agreement, the GOH has announced that there will be "changes" within various government ministries. As such, President Ricardo Maduro appears to be planning to streamline the GOH by restructuring certain departments, and in some cases eliminating certain ministries altogether.

2. It is rumored that the Ministry of Culture, Arts, and Sports and the Honduran Institute of Science and Technology will be absorbed by the Ministry of Education. (Note: The Minister of Culture position is currently held by Mireya Batres, President Maduro's ex-fiancee. End Note.) Also, it is rumored that the Ministry of International Cooperation (SETCO) will be absorbed by either the Ministry of the Presidency or the Foreign Ministry.

3. Other possible changes within the GOH include fusing the National Agrarian Institute, the Ministry of Agriculture and Livestock, and the Ministry of Natural Resources and Environment into one separate entity, as it once was. Also, it is rumored that the Honduran Foundation for Social Investment (FHIS) will be eliminated, with the Ministry of Government taking over certain duties performed by FHIS. Other potential targets of the restructuring effort include the fusion of the Central Bank and the National Commission of Banks and Insurance, as well as combining the duties of the Office of Procurement, the National Telecom Commission, and the Office of Licenses and Commissions.

4. Rumors also continue of impending changes in President Maduro's cabinet. After two years in office, President Maduro may possibly exchange some "technical" ministers (technocrats) for more "political" ones (politicians). The following individuals are rumored in the press to be on their way out for a wide array of reasons: Minister of Public Works Jorge Carranza; Minister of Government Jorge Ramon Hernandez Alcerro; Minister of Finance Arturo Alvarado; Minister of Education Carlos Avila; Minister of Health Elias Lizardo; Minister of Culture Mireya Batres; Minister of Trade Norman Garcia; Minister of International Aid Coordination Brenie Matute; the National Electric Company's Angelo Botazzi; and Hondutel's Arturo Valenzuela. Possible reasons for dismissals vary from minister to minister, but include government reorganization, a desire to run for political office, political scapegoating, and lack of political skills.

5. COMMENT: Currently, any specifics about the restructuring process or cabinet changes are only rumors. President Maduro appears to have decided that certain adjustments will help fulfill the IMF agreement and create a less bureaucratic, more efficient government. However, the President has not yet spoken publicly about possible changes. It does seem that the targets of the realignment will be the ministries whose work is on the periphery of the most pressing political issues. Post notes that several of the potentially affected ministries have told EmbOffs that their ministries will not be eliminated. END COMMENT.
Palmer